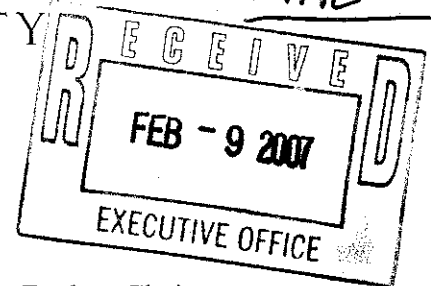


FRIANT WATER USERS AUTHORITY



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Chairman of the Board

Harvey A. Bailey
Vice Chairman

Marvin L. Hughes
Secretary/Treasurer

Ronald D. Jacobsma
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General Manager*

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(Sacramento)*

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Delano-Earlimart I.D.
Exeter I.D.
Fresno I.D.
Ivanhoe I.D.
Kern-Tulare W.D.
Lindmore I.D.
Lindsay-Strathmore I.D.
Lower Tule River I.D.
Madera I.D.
Orange Cove I.D.
Pixley I.D.
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Shafter-Wasco I.D.
So. San Joaquin M.U.D.
Stone Corral I.D.
Tea Pot Dome W.D.
Terra Bella I.D.
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Steven L. Kabot
General Counsel

Gregory K. Wilkinson
*Best, Best & Krieger
Special Counsel*

George H. Soares
*Kahn, Soares & Conway, LLP
Sacramento Representative*

Joe Raeder
*The Ferguson Group
Washington D.C. Representative*

February 5, 2007

Mr. Lester Snow, Director
California Department of Water Resources
P.O. Box 942836, Room 1115-1
Sacramento, CA 94236-0001

Ms. Tam Doduc, Chair
State Water Resources Control
Board
P.O. Box 100
Sacramento, CA 95812

Dear Mr. Snow and Ms. Doduc:

On behalf of the Friant Water Users Authority (Authority), I am writing to express our concerns with the proposal that your staff has recently outlined to extend Round 1 funding within the Proposition 50 Integrated Regional Water Management Program (IRWMP), rather than beginning with a new Round 2 of funding for the \$190 million that remains in the Proposition 50 IRWMP account. We strongly encourage you to reconsider this course of action.

During a Town Hall meeting held on July 17, 2006 regarding the challenges and concerns that arose during the first round of Proposition 50 IRWMP funding, it became clear that, upon completion of Round 1 of funding, your staff would spend time with the stakeholders addressing issues and concerns that many expressed during the process, including the issue of "statewide priorities." Many of us believed that, following a revision of the guidelines, there would be a new round of competition for the remaining \$190 million in the fund.

The proposal to simply eliminate Round 2 of the funding process, means that many IRWMPs that may not have been sufficiently complete to meet Round 1 deadlines and that are now completed and poised to compete during a second round of funding, will be left behind from the Proposition 50 opportunities. Many stakeholders have been operating under the premise that there would be two distinct rounds of funding, with any necessary mid-course corrections and adjustments to the guidelines being taken care of in between the funding rounds.

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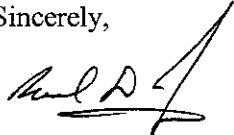
Sacramento Office
1521 I Street
Sacramento, CA 95814

Phone: 916-441-1931
Fax: 916-441-1581

Mr. Lester Snow and Ms. Tam Doduc
February 5, 2007
Page 2

Now, it appears that the rules are being changed. We strongly urge you to reconsider this course of action and remain on track with the process discussed during the Town Hall meeting on July 17th.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald D. Jacobsma", with a stylized flourish at the end.

Ronald D. Jacobsma
General Manager

RDJ:tm

cc: FWUA Member Districts